


CITY OF HIALEAH



HUMAN RESOURCES DEPARTMENT

TO: AFSCME BARGAINING UNIT MEMBER (GENERAL EMPLOYEES)
CC: AFSCME LOCAL 161
FROM: MELISSA NEGRON, ACTING HUMAN RESOURCES DIRECTOR 
DATE: APRIL 8, 2011
SUBJECT: INFORMATION ON THE IMPLEMENTATION OF THE AFSCME CONTRACT

On March 8, 2011 the City Council rescinded the imposed AFSCME contract of July 13, 2010. The City Council action became effective March 8, 2011.¹ The July 13, 2010 contract imposed a 10% pre-tax insurance contribution² as well as the requirement of one furlough day per two-week pay period. Accordingly, the furlough day per two-week pay period as well as the 10% pre-tax insurance contribution was stopped effective the pay period of March 6, 2011 through March 19, 2011. As a result of the rescinded AFSCME contract the city will give the employees a 9% credit for the 10% pre-tax insurance contribution deduction as well as a 7.5 hour credit for the furlough day taken for the pay period of March 6, 2011 through March 19, 2011.

On March 21, 2011, the City Council resolved disputed Articles of the Collective Bargaining Agreement to establish a new status quo for future bargaining. The Union refused to participate; claiming the City Council had no jurisdiction. As a result, the Union has informed the City that

¹ From the March 8, 2011, date of rescission, to March 21, 2011, the date of City Council action, employees are entitled to be credited with furlough days taken and the 10% pre-tax health insurance contribution.

Last year, the Union requested 35 days to vote on the proposed Collective Bargaining Agreement, which the membership rejected. When a Union rejected the Agreement, the proposed Collective Bargaining Agreement become effective, retroactively to the date the City Council took action. Because of the extended time period, the City, in a series of paychecks, collected what was due the City over the 35-day period, from July 13, 2010 through August 18, 2010, the date of the vote taken by the general employees.

This year, the City does not want to take more than the 17% from the base pay from each paycheck. Therefore, over the next two paychecks, the City will apply credits due employees and apply it to the base pay deduction, as if the City Council's action became effective on March 21, 2011. The Union has represented to the City that the Union will not take the proposed Collective Bargaining Agreement to ratification.

²The 10% pre-tax insurance contribution deduction calculates to a 9% reduction to the base pay.

the Union will not be taking the contract to ratification. The City Council decided to end the furloughs and the 10% pre-tax health insurance contribution and instead, make a salary reduction of 17% to the base pay. The City has divided the 9% credit to the base pay over the next two pay periods in order to smooth out the differences in the successive pay checks. The employees will receive a credit of 4.5% to their base pay for the pay period from March 20, 2011 through April 2, 2011, as well as a credit of 4.5% to their base pay for the pay period from April 3, 2011 through April 16, 2011. Therefore, for the pay period of March 20, 2011 through April 2, 2011, the employees will receive a 12.5% ($17\% - 4.5\% = 12.5\%$) reduction to their base pay and for the pay period of April 3, 2011 through April 16, 2011 the employees will receive a 12.5% reduction to their base pay. For the pay period of April 17, 2011 through April 30, 2011, the employees will receive a 17% reduction to their base pay and this shall remain in effect until a collective bargaining agreement is ratified or imposed for the Fiscal Year 2010 – 2011.

On Thursday March 24, 2011, the one furlough day per two-week pay period served by AFSCME employees was stopped. Those AFSCME employees who took two furlough days during the period of March 6, 2011 through March 23, 2011 will be credited two days (7.5 hours each day for a total of 15.0 hours) to their compensatory time bank unless the employee has reached the limit for compensatory time, in that case the employee will receive the two days (15.0 hours) as a vacation credit. All other employees will receive a credit of 7.5 hours to their compensatory time bank unless the employee has reached the limit for compensatory time, in that case the employee will receive 7.5 hours as a vacation credit.

This chart summarizes the changes:

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| Pay period of March 6, 2011 – March 19, 2011 March 25, 2011 Payday | 9% credit to employees to be divided over 2 pay periods. 0% reduction to base pay |
| Pay period of March 20, 2011 – April 2, 2011 April 8, 2011 Payday | 17% reduction to base pay less credit of 4.5% $17\% - 4.50\% = 12.50\%$ 12.50% reduction to base pay (7.5 hour credit for furlough day) |
| Pay period of April 3, 2011 – April 16, 2011 April 22, 2011 Payday | 17% reduction to base pay less credit of 4.5% $17\% - 4.50\% = 12.50\%$ 12.50% reduction to base pay |
| Pay period of April 17, 2011 – April 30, 2011 May 6, 2011 Payday | 17% reduction to base pay |